

STATE OF WISCONSIN
DEPARTMENT OF HEALTH AND FAMILY SERVICES
DIVISION OF MANAGEMENT AND TECHNOLOGY
BUREAU OF FISCAL SERVICES

ACCOUNTING POLICY

TOPIC: Section 1--Business Standards 4.0	EFFECTIVE DATE: 10/5/88
TITLE: Decentralized Accounting Systems	REVISION DATE: 1/10/03
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BACKGROUND

Over the past several years, there has been a proliferation of accounting-type systems due to the availability of increased technology of mini- and microcomputers. The department encourages the use of increased technology, as long as the systems maintain proper internal control in such areas as documentation, audit trail and data integrity.

POLICY

The official accounting system for the Department of Health and Family Services is the FMS system. Divisions are hereby requested to justify and secure approval for use of any decentralized automated system or subsidiary system prior to its installation.

Any organization that is now using such a system is required to notify the Director, Bureau of Fiscal Services, within 60 days of the effective date of this bulletin. Explanation and justification should accompany the notification. The Director, Bureau of Fiscal Services, will evaluate the appropriateness of such system and approve or disapprove of its use. If disapproved, an orderly termination of its use will be directed.

ACCOUNTING SYSTEMS THAT REQUIRE APPROVAL

Accounting systems that require justification and approval are those, which meet one of the following situations.

1. Provides specific detail data that is summarized for entry into FMS (e.g., CRN system that generates detail check payment records while providing summarized entries for FMS).
2. Creates data for audit trail or processes data for development of accounting entries (Time Studies).
3. A stand-alone system that produces accounting data, makes payments, records expenditures and/or revenue (Adoption Assistance, Resident Accounts).

SUBMISSION OF JUSTIFICATION AND DESCRIPTION

Submit the justification and request for approval to Director, Bureau of Fiscal Services, Division of Management Services, including the following information where applicable (Please use the suggested format below for providing justification and description of the system under consideration):

1. General
 - a. Name of system
 - b. Organization which owns system
 - c. Contact person
2. Existing system, or in the planning or development stage?
3. Justification elements
 - a. Why can't FMS be used?
 - b. What is the system used for, and what are the consequences if the system is not used?
 - c. How does it reconcile or relate to the FMS system?
 - d. Other factors:
 - What is the source of the data?
 - Explain the type of system (manual, EDP, combination).
 - Is the system documented?
 - Are employee procedure manuals maintained?
 - If an EDP type system,
 - (1) How is access to system granted?
 - (2) Are backup procedures in place?
 - (3) Is there storage of data off-site?
 - Are clear records for auditing maintained?
 - e. Submit example(s) of output reports.

CONTACTS

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